Alberta

News release

Budget 2008
THE RIGHT PLAN FOR
TODAY & TOMORROW

April 22, 2008

Elimination of $1-billion health care premiums highlights Budget 2008

Stelmach government sets out fiscal plan to secure the province's future and fulfill commitments to Albertans

Budget highlights:

- *15th consecutive balanced budget; $1.6 billion estimated budget surplus*
- *$1 billion in savings to Albertans and Alberta businesses with elimination of health care premiums on January 1, 2009*
- *Nearly $300 million in additional tax savings, including enhanced Alberta Family Employment Tax Credit benefits, indexation of personal credits and a new scientific research and experimental development credit*
- *$22.2 billion over three years to build health facilities, schools, roads and other key infrastructure*
- *9.7 per cent operating spending increase to address growth, build on actions in past year and fulfill commitments to Albertans*
- *$100 million to establish the Alberta Enterprise Corporation to provide early-stage venture capital*
- *$574 million over three years for climate change initiatives*
- *$468 million in new operating funding over the next three years to develop and implement initiatives in response to the Crime Reduction and Safe Communities Task Force report*

Edmonton... Albertans and Alberta businesses will save $1 billion annually with the elimination of health care premiums on January 1, 2009, and nearly $300 million in other targeted tax relief.

Budget 2008: The Right Plan for Today and Tomorrow is Alberta's 15th consecutive balanced budget and the government's fiscal blueprint to fulfill its commitments and carry out its plan to secure Alberta's future.

"The time has come for Albertans to enjoy additional direct rewards of our province's prosperity," said Premier Ed Stelmach. "This government made a commitment to Albertans to eliminate health care premiums within four years. We said we would do it sooner if we could and that is exactly what we are doing."

Budget 2008 will provide $37 billion for programs and capital grants in 2008-09 to address population growth and inflation, which together totaled 8 per cent last year. The budget builds on action taken in the past year and fulfills government's commitments to Albertans to protect the environment, make communities safer, improve the health care system and position the province for long-term economic success.

"This is a plan to deal with today's demands and pressures, while also looking ahead to a strong Alberta tomorrow," said Iris Evans, Minister of Finance and Enterprise. "It is also a prudent budget that stays within our means."

Expense
Operating spending will increase 9.7 per cent overall, including increases for new and expanded initiatives related to the environment, crime reduction and safe communities, child care, and communities and culture. There is also increased funding for health care, post-secondary education and homelessness initiatives.

Health and Wellness will receive a 9.4 per cent, or $1-billion, increase. This represents about 40 per cent of the total increase in operating spending. Education funding is increasing by 4.3 per cent, or $217 million, reflecting relatively flat student enrolment and the agreement reached with teachers on salaries. Advanced Education and Technology will receive a 10.2 per cent, or $240-million, increase to support post-secondary education, research, innovation and technology commercialization.

Budget 2008 provides $237 million in 2008-09 for climate change initiatives, and a total of $574 million over three years. The budget also includes $20 million in 2008-09 and a total of $60 million over three years to support the Community Spirit Donation Program for Alberta-based non-profit organizations and registered charities. An additional $12 million is budgeted in 2008-09, largely for increased funding for the Alberta Foundation for the Arts, to support implementation of The Spirit of Alberta cultural policy.

The three-year Capital Plan will reach a record $22.2 billion, an increase of 21 per cent from the 2007-10 Capital Plan published with Budget 2007. Capital support for 2008-09 will be $8.7 billion, more than three times the per-capita average of other provinces.

Much of the pressure of Alberta's growth is felt at the municipal level. The government's plan to address this growth includes $1.6 billion in municipal capital support for 2008-09, a 600 per cent increase from five years ago.

Taxes
Budget 2008 also assists Albertans in need, with $45 million in savings for lower and middle-income working families, caregivers and individuals with disabilities.

Effective July 2008, the maximum benefit for the Alberta Family Employment Tax Credit will be increased by 10 per cent and the phase-out

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income threshold increased by $5,000. This is in addition to the regular inflation adjustment and will provide lower and middle-income working families an additional $25 million in benefits.

Enhancements to the caregiver, infirm dependant, disability and disability supplement credit amounts will provide $20 million in savings. In general, taxpayers who are currently claiming one of these credits will be able to receive an additional benefit from these changes of up to $500 each year. For individuals who are able to claim both the disability amount and the disability supplement, benefits could increase by up to $1,000.

Alberta's competitive business tax environment will be enhanced with a new provincial tax credit to encourage scientific research and experimental development. This refundable credit is worth 10 per cent of eligible expenditures on research and development made after December 31, 2008 up to $4 million for a maximum annual credit of $400,000. This measure will initially provide $60 million towards building knowledge-based industry, growing over time as businesses undertake more research and development.

Other tax initiatives include annual inflation indexing of personal income taxes, the paralleling of some federal changes to personal and corporate income taxes, and an increase in the small business income threshold from $430,000 to $460,000.

Revenue
Budget 2008 estimates revenue in 2008-09 to be $38.6 billion, an $814-million increase over 2007-08. The estimate is based on oil prices of US$78 per barrel and gas prices of Cdn$6.75 per gigajoule.

The outlook used for other major economic factors is within the range of other forecasters. Private energy forecasts for the next three years range from about US$65 to US$110 per barrel of oil and from about Cdn$5.20 to Cdn$8.20 per gigajoule for natural gas.

"Given the volatility of energy prices, we believe our forecasts are reasonable and prudent," said Evans. "A shift of one dollar in the price of oil can affect revenue by $130 million. Only one year ago, oil prices were around $65 per barrel. Who knew then that they would be hovering around $110 today?"

Economic growth in Alberta is forecast to average 3.2 per cent over the next four years and inflationary pressures are expected to decline.

The new royalty structure starts on January 1, 2009. Once fully implemented, the new framework is forecast to provide about $1.8 billion more from royalties per year than would have been collected under the old system at the price assumptions used.

Surplus
Budget 2008 estimates the surplus at $1.6 billion. This surplus will provide $279 million to inflation-proof the Heritage Fund, $100 million to establish the Alberta Enterprise Corporation to provide early-stage venture capital to innovative companies, and $325 million for the contingency allowance. The remaining $864 million is required to help meet capital cash requirements or is retained by funds and agencies.

If energy prices remain high, the surplus will be larger. Any additional surplus dollars will be allocated according to government's in-year surplus, which allocates one-third to savings and two-thirds to capital.

In Billions	2007-08 (Forecast)	2008-09 (Estimate)	2009-10 (Target)	2010-11 (Target)
Total Revenue	$37.8	$38.6	$37.9	$38.0
Resource Revenue	$11.0	$11.7	$10.7	$10.0
Expense				
Operating Expense	$27.1	$29.8	$31.4	$32.7
Capital Grants	$5.2	$5.9	$4.9	$3.8
Other Expense*	$1.4	$1.3	$1.3	$1.3
Total Expense	$33.7	$37.0	$37.6	$37.8
Surplus**	$4.0	$1.6	$0.4	$0.2

**Other expenses include emergencies, disasters, natural gas rebates, debt servicing costs, amortization and nominal sum disposals.*
***Excludes change in pension obligations.*

	2007-08	2008-09	2009-10	2010-11
Oil (WTI US$/bbl)	$80.72	$78.00	$74.00	$72.00
Natural Gas (Cdn$/GJ)	$5.88	$6.75	$6.40	$6.25

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Attachments:

- Backgrounder – Budget summary by ministry
- News Release – 2008-11 Capital Plan delivers $22.2 billion for municipalities, housing, hospitals, schools and roads
- News Release – Budget 2008 addresses population growth pressures, workforce challenges in health
- News Release – Budget 2008 focuses on building Alberta's skilled workforce through education, training and employment investments
- News Release – Budget 2008 builds safe communities with more than $500 million over three years
- News Release – Budget 2008 supports strong social programs for Alberta's growing population

Media inquiries may be directed to:
Bart Johnson
Director of Communications

Alberta Finance and Enterprise
780 427 5364

To call toll free within Alberta dial 310-0000.

Backgrounder

April 22, 2008

Budget summary by Ministry

Aboriginal Relations

Aboriginal Relations' 2008-09 program expense will be $117 million, an increase of almost $22 million or 22.6 per cent, over the 2007-08 forecast.

Funding provided through the First Nations Development Fund will increase from $56 million in 2007-08 to $78 million in 2008-09. This funding will be used to support the economic, social and community development of First Nation communities.

Budget 2008 includes $18 million over three years to implement initiatives which will contribute to more effective governance, enhanced accountability and long term sustainability for the Métis Settlements.

For information, contact Bill Strickland 780-422-8047

Advanced Education and Technology

Advanced Education and Technology's 2008-09 program expense will be $3.4 billion, an increase of $178 million, or 5.5 per cent, over the 2007-08 forecast.

Program expense in 2008-09 includes $2.6 billion in operating support, an increase of $240 million or 10.2 per cent from the 2007-08 forecast, and $835 million in capital grants to post-secondary institutions.

In 2008-09, support for adult learning, including operating grants to post-secondary institutions, is increasing by a net total of $221 million, or 12.1 per cent, to over $2 billion. By 2010-11, this funding will increase by $563 million, or 30.8 per cent, to nearly $2.4 billion.

In 2008-09, total funding for student assistance and student debt is $188 million to further government's commitment to addressing accessibility and ensuring that Alberta is one of the most affordable provinces in Canada to obtain a post-secondary education.

The 2008-11 Capital Plan provides almost $1.5 billion to support post-secondary capital projects.

Over the next three years, a total of almost $498 million will be provided for innovation, research, and technology commercialization initiatives which will focus on areas of strategic importance for Alberta. This includes $229 million for research and innovation initiatives in priority areas, $169 million for technology commercialization, and a $100 million contribution to the Alberta Enterprise Corporation.

For information, contact Donna Babchishin 780-422-1562

Agriculture and Rural Development

Agriculture and Rural Development program expense will return to just over $1 billion in 2008-09 and each of the next three years, a 2008-09 increase of $146 million (16.9 per cent) over the 2007-08 forecast. The increase reflects a return to normal levels of spending and activity in Agriculture Financial Services Corporation's insurance and financial support programs after a particularly stable and prosperous 2007 growing season

The 2008-09 budget supports a wide variety of programs and services to enable growth of a globally competitive and sustainable agriculture industry. Support includes transitioning to the new *Growing Forward* agreement, which includes the redesigned AgriStability, AgriInsurance, AgriRecovery and AgriInvest programs to provide effective production and risk management tools. Alberta continues to work with the federal government and other provinces on *Growing Forward* to develop a package of programs for Alberta farmers and the agriculture and agri-food sector.

Much of the Ministry's focus on *Growing Forward* will be aligning its objectives, programs and supports with Alberta's strategies and development plans for economic, environmental and resource sustainability. The new institute for Agriculture, Forestry and the Environment will be an important focus for Agriculture and Rural Development. Chaired by former MLA Dr. Ken Nicol, the institute will identify and facilitate the adoption of environmentally sound practices and products in the agriculture and forestry sectors.

For information, contact Cathy Housdorff 780-422-7683

Children and Youth Services

Children and Youth Services' 2008-09 program expense will be $1.1 billion, a $120 million or 12.2 per cent increase from the comparable 2007-08 forecast. By 2010-11, total program expense will be $1.16 billion a $180 million or 18.4 per cent increase over three years.

Funding for child care will be $197 million in 2008-09, and $633 million over three years. This includes $242 million over three years to support the creation of 14,000 new child care spaces by 2011. This also includes $10 million in new funding in 2008-09 to implement a provincial Out-of-School Care program for children 6-12 years old. As well, the Ministry will expand provincial subsidies for low and middle-income families to include children up to age 12. A capital grant of $2 million has been earmarked to increase child care spaces in Fort McMurray.

Child Intervention and Foster Care Support funding will increase by $20.5 million, or 4 per cent to $536 million. The Ministry will continue to address demand pressures, inflation, and the declining availability of foster homes. This funding will also allow for continued implementation of the new Casework Practice Model, which focuses on assessment, collaboration, permanency for children and continuing to work positively with First Nations and Métis communities.

Funding for the Family Support for Children with Disabilities program will be $107 million in 2008-09, to address increased demand and build rural capacity. This program provides support to families so children with disabilities have an opportunity to develop to their potential.

Funding for Family and Community Support Services, a cost-sharing partnership between the provincial government, municipalities and Métis Settlements, will increase by $3.5 million to approximately $75 million to support locally-driven preventive social services and programs.

The Ministry will continue to co-ordinate the 10-year cross-ministry strategy aimed at decreasing the impact of fetal alcohol spectrum disorder, a leading cause of birth defects and lifelong disabilities. Expected outcomes of the strategy include improved diagnosis and assessment capacity and better co-ordination of services. Funding in the Ministry of Child and Youth Services will rise to $18 million, an 89 per cent increase. Participating ministries will allocate an additional $4.5 million towards this initiative in 2008-09.

As a participant in the Crime Reduction and Safe Communities initiative, the Ministry has allocated $2.8 million in 2008-09 for Aboriginal and ethno-cultural family violence prevention programming, expansion of mentoring opportunities as part of the Youth in Transition program and programs to aid parents/families of at-risk children through Parent Link Centers.

Social services agencies contracted by Children and Youth Services will receive an additional $11 million in 2008-09 to respond to staff recruitment and retention challenges.

For information, contact Mary Lou Reeleder 780-415-6490

Culture and Community Spirit

Culture and Community Spirit 2008-09 program expense will be $553 million, a $98 million or 21.4 per cent increase from the 2007-08 forecast.

The Ministry's operating expense is $281 million, a $42 million or 17 per cent increase from the 2007-08 forecast. 2008-09 operating spending increases include:

- $20 million for the initial year of the Community Spirit Donation Program, designed to encourage more individual donations to non-profit organizations and registered Alberta charities;
- $12 million, primarily in funding for the Alberta Foundation for the Arts, to implement the government's new cultural policy – "The

Spirit of Alberta";
- $7 million for the Horse Racing and Breeding Renewal program, and
- $3 million for bingo associations.

The Ministry's capital expense in 2008-09 is $272 million, a $56 million or 26 per cent increase from the 2007-08 forecast. Capital spending includes:

- $40 million to support a bid to locate the National Portrait Gallery in Alberta;
- $40 million to support expansion of the TELUS World of Science facility in Calgary;
- $140 million for the final year of the Major Community Facilities Program, which helps construct, maintain, and upgrade community facilities across Alberta;
- $38.5 million for the ongoing Community Facility Enhancement Program;
- $6 million for capital grants to Major Fairs and Exhibitions; and
- $5.9 million for capital maintenance and renewal at various historic sites and museums.

For information, contact Shawna Cass 780-427-2395

Education

For the 2008-09 fiscal year, program spending on the Early Childhood Services to Grade 12 education system, including support for school capital projects, will be over $5.8 billion.

This includes $5.2 billion in operating support to school boards and other educational programs and services, a $217 million or 4.3 per cent increase from the 2007-08 forecast. Within this budget:

- Operational grants to school boards will increase by 4.53 per cent in September 2008.
- Plant operations and maintenance support for school facilities will be $436 million, an increase of $19 million or 4.7 per cent.
- The budget for the Small Class Size Initiative will be $212 million, an increase of 9 per cent. This will ensure that students continue to benefit from small class sizes and maintain student access to the 2,707 new teachers hired across the province under this successful initiative.
- $77 million is provided for the Alberta Initiative for School Improvement, and
- $47 million for Student Health Services.

Over $1.6 billion in capital support will be provided over the next three years, including $624 million in 2008-09. This will provide:

- $1.1 billion for new schools and upgrading projects, and

- $511 million for capital maintenance and renewal.

For information, contact Kathy Telfer 780-427-5423

Employment and Immigration

Employment and Immigration's 2008-09 program expense will be $920 million, a $77 million or 9.1 per-cent increase from the 2007-08 forecast.

Alberta's Immigration Strategy continues to be implemented as part of Alberta's Comprehensive Labour Strategy: *Building and Educating Tomorrow's Workforce*.Funding for immigration will increase by $15 million, or 24 per cent, to $80 million in 2008-09. This will support expanding the number of nominees under the Provincial Nominee Program to 3,000 in 2008-09 and to 5,000 in 2010-11, improving international marketing and credentials recognition, enhancing settlement services and adding spaces to the English as an Additional Language and Bridging programs.

Over $149 million in 2008-09, and nearly $450 million over three years will be provided for employment and training programs. This spending includes initiatives under a new Canada-Alberta Labour Market Agreement, expected to be signed shortly. Under the Agreement, the federal government will provide the Province with $315 million over six years, beginning in 2008-09, which will complement and add to the current Labour Market Development Agreement for Employment Insurance clients. The new agreement is intended to support those who do not qualify for funding under the Employment Insurance program and to encourage employers to provide more training for workers.

Funding for Income Supports will increase to $307 million in 2008-09 to provide benefits to clients who are considered not able to work, temporarily unable to work, and learners. As well, $96 million in health benefits will be provided for income support clients and low-income Albertans.

For information, contact Janice Schroeder 780-427-5649

Energy

Energy's 2008-09 program expense will be $403 million, a $91-million or 29.2 per cent increase from the 2007-08 forecast. By 2010-11, total program expense will be $448 million, a $137 million or 44.1 per cent increase over three years.

Funding increases in 2008-09 include the following:

- Energy Resources Conservation Board - increases by $29 million, or 18.7 per cent, to $184 million in 2008-09. This funding will be used to promote regulatory compliance and address pressures related to the development of new and unconventional energy resources, including the oil sands.

- Alberta Utilities Commission – funding doubles to $32 million in 2008-09, funded entirely by industry levy. This funding will be used to promote regulatory compliance of natural gas, water and electric utilities and to increase the level of consumer protection.
- New Royalty Framework - $6 million in new funding will be directed towards implementation of Alberta's New Royalty Framework in 2008-09. This funding will be used for new information technology requirements, and development of new procedures for determining and collecting royalties. Funding for implementation of the Framework increases to $10 million in 2009-10 and $15 million in 2010-11.

For information, contact Jason Chance 780-422-3667

Environment

Excluding a one-time payment made in 2007-08, Environment's 2008-09 program expense will more than double this year, from $183 million in 2007-08 to $403 million in 2008-09 (a $220 million or 120 per cent increase) Over the next three years, program spending for the Ministry of Environment will exceed $1 billion.

The Ministry's budget includes $155 million in 2008-09 (totaling $328 million over the next three years) for initiatives through the Climate Change and Emissions Management Fund. This spending will support strategic projects or transformative technology aimed at reducing greenhouse gas emissions in the province.

Environment's program expense also includes $52 million per year associated with the federal government's Canada Eco-Trust for Clean Air and Climate Change and $30 million per year to support initiatives under the province's updated Climate Change Strategy.

Initiatives supporting implementation of the *Water for Life* strategy continue in *Budget 2008*, with $300 million in capital and $63 million in operating funding provided over the next three years. This includes $16 million over the next three years in new funding to further the province's knowledge and management of groundwater to sustain reliable, good quality supplies for communities, our ecosystems and our economy.

For information, contact Kim Capstick 780-427-2848

Executive Council

Executive Council's 2008-09 budget is $30 million, a $6.4 million or 27.1 per cent increase from the 2007-08 forecast. The increase provides for the new Premier's Council for Economic Strategy and a new initiative to strengthen the Alberta brand at home, across Canada and abroad.

For information, contact Tom Olsen 780-422-4905

Finance and Enterprise

Finance's 2008-09 program expense will be more than one billion, a $137 million or 15.8 per cent increase from the 2007-08 forecast. By 2010-11, total program expense will be $1.1 billion, a $224 million or 25.9 per cent increase over three years.

Major increases in the Ministry's 2008-09 budget include:

- $43 million for costs associated with the agreement for the government to take-over responsibility for the teachers' $2.2 billion pre-1992 unfunded pension liability and the teachers' annual liability payments.
- $18 million for the Alberta Capital Finance Authority (ACFA) for anticipated increases in loan activity of local authorities.
- $15 million related to new federal funding under the Community Development Trust. Finance and Enterprise's share of this funding ($79 million over three years) will be used for investments aimed at strengthening communities reliant on Alberta's agriculture and forestry sectors, and for research and innovation investments aimed at developing new and value-added opportunities.
- $7 million for the Alberta Securities Commission for improved investor awareness programs and improved electronic security. These costs will be fully recovered from the investment industry.
- $7 million for the Alberta Pensions Administration to cover costs related to the growth in pension plan memberships. These costs are fully recovered from the various pension plan clients.

Other Ministry operating expense increases include the department's share of the start-up costs for the Alberta Investment Management Corporation (AIMCo).

For information, contact Bart Johnson 780-422-2126

Health and Wellness

Health and Wellness' 2008-09 program expense budget will be over $13.2 billion, a $1.1 billion or 9.1 per cent increase from the 2007-08 forecast. By 2010-11, total program expense will be $14.3 billion, a $2.2 billion or 17.8 per cent increase over three years.

Operating grants to health authorities will increase by 8 per cent in 2008-09, to over $7.1 billion, with all health authorities receiving a minimum increase of 6 per cent. The health authorities are facing increased pressures from population growth and aging, and drug, technology and labour costs.

In 2008-09, $2.5 billion is budgeted for physician services. Negotiations are underway for a new financial agreement between the government, the Alberta Medical Association and the regional health authorities. Support is also increasing for innovative service-delivery initiatives, such as alternative payment mechanisms.

$749 million is being provided for supplementary health benefits, an increase of 2.7 per cent, largely due to higher costs of drug benefits.

$1.4 billion is being provided for a variety of other health services ranging from public health laboratories, vaccination programs and tissue

and blood services, to air ambulance and allied health services. Notable 2008-09 increases are:

- $29 million will be spent on health initiatives to address the recommendations in the Crime Reduction and Safe Communities Task Force Report, including more mental health and residential treatment beds.

$31 million in new funding to improve wait times for cancer radiation therapy, as part of the agreement with the federal government.

- $311 million in areas such as blood services, payments to medical residents, base funding for the Alberta Alcohol and Drug Abuse Commission, and a provision for workforce issues.

The 2008-11 Capital Plan provides $3.3 billion over the next three years:

- $2.63 billion for health facilities, (this includes $33 million budgeted in the Infrastructure Ministry to construct additional government-owned addiction treatment facilities);
- $343 million for capital maintenance and renewal;
- $244 million for health information systems; and
- $120 million for vaccines.

For information, contact Michael Shields 780-427-7164

Housing and Urban Affairs

Housing and Urban Affairs' 2008-09 program expense will be $574 million, an increase of $66 million or 13 per cent from the 2007-08 forecast.

Over the next three years, $877 million will be provided in affordable housing capital grants, as the government moves toward the goal of developing more than 11,000 affordable housing units over five years.

The Ministry budget for 2008-09 includes approximately $309 million for affordable housing capital grants, $44 million for the Homeless and Eviction Prevention Fund, and $58 million for the Rent Supplement Program.

For information, contact Carol Chawrun 780-644-6838

Infrastructure

Infrastructure's 2008-09 program expense, excluding funding for natural gas rebates, will be $638 million, a $104 million or 19.5 per cent

increase from the 2007-08 forecast. The Ministry's capital investment budget will be almost $470 million in 2008-09, an increase of $292 million or approximately 164 per cent over the 2007-08 Forecast.

Portions of the Capital Investment will help fund some major projects including:

- First phase of construction on the new Edmonton Remand Centre,
- Phase two of construction at the Calgary Courts Centre (parkade)

Funding for natural gas rebates in 2008-09 is budgeted at $325.3 million, a $13.8 million or 4.1 per cent decrease from the 2007-08 Forecast.

For information, contact Stuart Elson 780-644-8596

International and Intergovernmental Relations

The Ministry's 2008-09 program expense will be $29.2 million, a $1.2 million or 4.4 per cent increase from the 2007-08 forecast. The Ministry will provide increased support to investment and immigrant attraction initiatives in concert with other ministries through its international offices and other program resources.

For information, contact Mark Cooper 780-422 -2465

Justice

Justice's 2008-09 program expense will be $522.6 million, a $134.5 million or 34.7 per cent increase from the 2007-08 forecast.

In response to the Crime Reduction and Safe Communities task force report *Keeping Communities Safe,* Justice's budget increases $108 million in 2008-09, including initiatives to provide Crown Prosecutor input at bail hearings, measures to allow for the seizure of illegally obtained property, and development of a model for mental health courts. A portion of the funding in Justice has not yet been allocated to specific initiatives. A Safe Communities Secretariat has been established in Justice to finalize the government's response to the report and oversee implementation of the various initiatives. Overall, $468 million in operating and $33 million in capital investment will be provided over the next three years in response to the report.

Other budget increases in the Ministry include $8.5 million to increase availability of legal aid, and other increases for various other programs, including steps to improve regularity of payments and to offer administrative recalculation of eligible Child Support payments in the Maintenance Enforcement Program

For information, contact Jay O'Neill 780-427-8530

Municipal Affairs

The Ministry's 2008-09 program expense will be $691 million, a $171 million or 32.9 per cent increase from the 2007-08 forecast. The 2007-08 forecast of $520 million includes $49 million for flood disaster assistance. By 2010-11, total program expense will be almost $1.6 billion, reflecting the government commitment to provide $1.4 billion under the Municipal Sustainability Initiative in 2010-11.

Significant increases in 2008-09 include:

- $200 million for the Municipal Sustainability Initiative;
- $5 million for the Alberta Emergency Management Agency; and
- $3 million to support operations of the new Capital Region Board, which will begin developing a plan focusing on key infrastructure issues for the capital region.

For information, contact Jody Korchinski 780-415-4758

Seniors and Community Supports

Seniors and Community Supports' 2008-09 program expense will be over $1.9 billion, a $172 million or 9.9 per cent increase over the 2007-08 forecast.

Funding for the Assured Income for the Severely Handicapped (AISH) program is increasing by $64 million, or 10.7 per cent, to $666 million in 2008-09. This additional funding will provide for the increase in the monthly living allowance to $1,088 effective January 1, 2008 and for anticipated growth in caseload and costs per case.

Support to the Persons with Developmental Disabilities Boards will be $571 million in 2008-09, an increase of $30 million, or 5.6 per cent. This will support agency staff retention pressures and caseload growth.

Funding for seniors programs including the Alberta Seniors Benefit, dental and optical assistance, lodge assistance, special needs assistance, and school property tax assistance will total over $438 million in

2008-09, an increase of $46 million or 11.6 per cent. The Alberta Aids to Daily Living program budget is $98 million in 2008-09.

Funding for the Affordable Supportive Living Initiative will be almost $78 million in 2008-09, and for Rural Affordable Supportive Living funding will be $2 million. Combined, these two programs will enable the construction of 800 additional units.

The Lodge Renovations and Repairs budget is $16 million which will provide assistance to renovate and repair approximately 300 units.

For information, contact Marilyn Carlyle-Helms 780 -644-5509

Service Alberta

Service Alberta's 2008-09 program expense will be $295 million, a $6.7 million or 2.3 per cent increase from the 2007-08 forecast. By 2010-11, total program expense will be $303.3 million, a $15 million or 5.2 per cent increase over three years.

The increase is tied to the rising costs associated with providing continuous services within a prosperous economy experiencing high demands for infrastructure and a growing population.

For information, contact Cam Traynor 780-422-8049

Solicitor General and Public Security

The Ministry's 2008-09 program expense will be $582.8 million, a $64.5 million or 12.4 per cent increase from the 2007-08 forecast. Included in the Ministry 2008-09 budget is $16 million in new funding in response to the Crime Reduction and Safe Communities report. By 2010-11, total program expense will be $620.4 million, a $102.1 million or 19.7 per cent increase over three years.

Major increases in 2008-09 include:

- $28.7 million, or 11.9 per cent, for policing programs. This includes $8.5 million from the federal government under the new Police Officer Recruitment Fund.
- $17.7 million, or 9.8 per cent, for Correctional Services. This increase allows for the hiring of 30 additional probation officers, more Correctional Peace Officers, and enhanced staff training.
- $12.2 million, or 24.7 per cent, for the Sheriffs Branch. This will provide for 65 new sheriffs, including 30 for court and perimeter security, 21 for traffic safety and 14 for the implementation of the Safer Communities and Neighbourhoods program.
- $5.9 million in other program areas, including $4 million for victims of crime programs.

For information, contact Andy Weiler 780-427-6153

Sustainable Resource Development

Sustainable Resource Development's 2008-09 program expense will be $374.5 million, a $121 million or 24 per cent reduction from the 2007-08 forecast, mainly due to the $192 million in disaster-related funding provided in 2007-08 for fighting wildfires and mountain pine beetles. The Ministry's 2008-09 program expense includes $50 million to be provided from the Sustainability Fund to address the mountain pine beetle infestation.

Implementation of a new Land-use Framework is expected to begin in 2008-09, with $7 million in 2008-09 and a total of $42 million provided over three years. The framework will address competing uses of land and provide a sustainable approach that balances economic, environmental and social concerns. $4.2 million annually will also be provided to continue an initiative with government, industry, academics and other organizations to provide independent and scientifically rigorous biodiversity information.

For information, contact Joan McCracken 780-427-5536

Tourism, Parks and Recreation

The Ministry's 2008-09 total program expense is $248 million, a $1.7 million increase from the 2007-08 forecast.

The Ministry's operating expense is $160 million, a $16.5 million or 11.5 per cent increase from the 2007-08 forecast. 2008-09 operating spending increases include:

- $10 million for tourism marketing and development;
- $2.6 million for parks operations;
- $1.5 million to implement the High Performance Assistance Athlete Program which will supplement the assistance provided by the federal government for high performance athletes. Over three years, $4.5 million will be provided for this program, and
- $2.4 million net increase in various other programs.

The Ministry's capital expense is $88 million, a $14.8 million or 14.4 per cent decrease from the 2007-08 forecast. In 2007-08, $50 million of one-time capital grants were provided for major recreation and sport facilities in Edmonton and Calgary. Capital spending highlights in 2008-09 include:

- $50 million to support the development of the Capital Region River Valley Park, stretching from Devon to Fort Saskatchewan.
- $20 million to the Calgary Olympic Development Association for the Centre of Sport Excellence. In total, the government has committed $69 million to this initiative, with $40 million provided in 2007-08 and another $9 million to be provided in 2009-10.

The Ministry's 2008-09 capital investment budget is $36 million. The majority of this capital investment will go towards maintaining and improving infrastructure and maintenance in Alberta's network of 500 parks and protected areas.

For information, contact Anne Douglas 780-427-8761

Transportation

The Ministry's 2008-09 program expense will be $2.2 billion, an increase of $136 million or 6.6 per cent from the 2007-08 forecast. The increase includes $60 million for highway preservation and maintenance, and nearly $47 million for the Federal Public Transit Trust. In

addition, capital investment of $1.94 billion is planned for 2008-09, an increase of $450 million or 30.2 per cent from the 2007-08 forecast.

A portion of the additional Capital Investment will help fund some major projects including:

- Continued planning and construction of the ring roads in Edmonton and Calgary;
- Continued development of the North-South Trade Corridor, including freeway status upgrades between Calgary and Edmonton;
- Increased rehabilitation work on highways throughout the province;
- Widening of several highways across the province, including portions of Highways 2A, 9, 28, and 54;
- Continued twinning of Highway 63 between Highway 55 and Fort McMurray;
- Ongoing expansion and preservation work on other highways that are part of the Northeast Alberta Transportation Corridor;
- Beginning construction of Highway 63 interchanges at Confederation Way and Thickwood Boulevard in Fort McMurray, and
- Construction of the new Athabasca River Bridge on Highway 63 and the Franklin Tunnel in Fort McMurray.

For information, contact Jerry Bellikka 780-415-1841

Treasury Board

The 2008-09 program expense for the Ministry of Treasury Board is $68.4 million, an increase of $25.9 million from the 2007-08 forecast. The 2008-09 budget includes over $15 million for capital planning, an amount made available to other ministries to support planning and preliminary design for capital projects. This funding was budgeted in the former Ministry of Infrastructure and Transportation in 2007-08.

The 2008-09 program expense includes approximately $6 million for the Alternative Capital Financing office to explore alternative financing options for capital projects, including Public-Private Partnerships (P3s).

For information, contact Gerald Kastendieck 780-427-6699

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